

BluGen, Inc.  
106-14 Songjeongjungang-ro 5beon-gil,  
Haeundae-gu, Busan, Republic of Korea



FOR IMMEDIATE RELEASE

18 November, 2022

FOR MORE INFORMATION CONTACT

sam@livornacapital.com

**BluGen to Lead South Korea Aquaculture Industry with First RAS Production Facility**

**BUSAN, SOUTH KOREA** — BluGen.—an established genomics and precision-breeding aquaculture company—will be commercializing its precision-bred olive flounder (aka hirame) broodstock by building and operating South Korea’s first RAS facility.

Construction for the 676,000 square feet facility in Goheung, South Korea began in 2021 and is currently 60% complete. The RAS facility will include 1) a hatchery for seedlings/juvenile fish for productions up to 80 million units/yr and 2) grow-out raceways for 1,000 metric tons/yr production for adult fish. Production is expected to begin Q4, 2023.

BluGen is in an exceptional position to compete in the olive flounder market and as a RAS operator. East Asian (South Korea, Japan, China) demand for olive flounder has been increasing over the past two decades while supply has been declining due to production challenges from disease and climate change. Aquaculture across species in Korea is entirely traditional with wild-catch or flow-through systems, with seasonal mortality rates ranging from 40-70% for olive flounder. Currently, there are no large-scale olive flounder producers.

BluGen CEO and founder Dr Woo-Jai Lee emphasizes that, “It is obvious that RAS is a key technique for this new trend of aquaculture, but it is also very important to know that RAS itself does not guarantee the success in the fish farming business. Success in aquaculture is achieved from the combination of new techniques (RAS and state of the art breeding), the correct choice of species, and the market size.”

Before BluGen, Dr Lee had worked in the aquaculture industry in Scandinavia for two decades, leading Atlantic salmon and tilapia genomics research and breeding programs. He founded BluGen in South Korea in 2013 with the goal of introducing world-class genomics and precision-breeding technology as well as RAS know-how to an antiquated Korean aquaculture industry.

BluGen-bred olive flounders (non-GMO) grow quicker and show superior disease resistance. They grow at an FCR of 1.1, and no antibiotics, hormones, or chemicals are used. For BluGen’s olive flounder, grow-out costs are similar to that of salmon at ~\$3.30/kg, and as a high-value fish grown without antibiotics, etc., farmgate is expected to be around \$20-24/kg, subject to overall weight of the fish and current market rates.

BluGen’s anticipated first year production is already entirely subscribed by quality buyers. Yam Table, a reputable Korean e-commerce distributor, has subscribed to all 1,000 tons. Over two dozen local grow-out facilities have subscribed to a combined 41 million units of BluGen’s seedling and juvenile fish.

The Korean government has recognized the commercial and symbolic importance of BluGen’s projects. In addition to their history of grants, commissioned research, and co-involvement in Korea’s Golden Seed Project, BluGen received a \$3.2M USD Korean government grant to begin construction of its RAS facility.

As for additional funding, \$9M USD has been raised-to-date from previous funding rounds. BluGen is currently in the process of raising a round.

There is growing interest within the Korean aquaculture industry to adopt new methodologies and evolve current practices. BluGen is excited to lead this movement, towards more sustainable and modern aquaculture practices in South Korea.